

# House File 503 - Introduced

HOUSE FILE 503

BY SWAIM

## A BILL FOR

1 An Act relating to agricultural land for purposes of awarding  
2 financial incentives and property tax valuation, and  
3 including effective date and applicability provisions.  
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1     Section 1. NEW SECTION.   **161A.77   Agricultural land —**  
2 **financial incentives.**

3     A landowner shall not be eligible for financial incentives  
4 to install, repair, or maintain a soil and water conservation  
5 practice or an erosion control practice on agricultural land  
6 unless the owner of the land files an affidavit with the  
7 division or a district as required by the division stating that  
8 the land is agricultural land. The affidavit shall include  
9 a copy of the taxpayer's schedule F form or internal revenue  
10 service form 4835. Notwithstanding chapter 22, the schedule F  
11 or form 4835 submitted pursuant to this section shall be kept  
12 confidential and used only for the purposes of this section.

13     Sec. 2. NEW SECTION.   **441.21A   Agricultural property — tax**  
14 **assessment.**

15     For land to be classified and valued as agricultural  
16 property for assessment and taxation purposes, a taxpayer must  
17 file an affidavit with the assessor on or before February 15  
18 of each assessment year stating that the land is agricultural  
19 property. The affidavit shall include a copy of the taxpayer's  
20 schedule F form or internal revenue service form 4835. The  
21 assessor may require that the affidavit include a supplemental  
22 return pursuant to section 441.19 for all tracts of land and  
23 improvements and structures located on the land which are in  
24 good faith used primarily for agricultural purposes, except  
25 buildings which are primarily used or intended for human  
26 habitation. Notwithstanding chapter 22, the schedule F or form  
27 4835 submitted pursuant to this section shall be confidential  
28 to the assessor, board of review, property assessment appeal  
29 board, or director of revenue, and shall not be open to public  
30 inspection.

31     Sec. 3. EFFECTIVE DATE.   Section 441.21A, as enacted in this  
32 Act, takes effect on January 1, 2012.

33     Sec. 4. APPLICABILITY DATE.   Section 441.21A, as enacted  
34 in this Act, applies to assessment years beginning on or after  
35 January 1, 2012.

EXPLANATION

1  
2 This bill applies to agricultural land for purposes of  
3 awarding state financial incentives and for purposes of  
4 property tax valuation. The bill provides that an owner  
5 of agricultural land must file an affidavit with the soil  
6 conservation division or a soil and water conservation district  
7 in order to be eligible for financial incentives to practice  
8 soil and water conservation or erosion control. The bill  
9 also requires a property taxpayer to file an affidavit with  
10 the assessor for purposes of valuing agricultural property  
11 for tax assessment and taxation purposes. In both cases, the  
12 affidavit must include a copy of the schedule F form (income  
13 and expenses from farming) or internal revenue service form  
14 4835 (farm rental income and expenses). The schedule F or form  
15 4835 must be kept confidential. The provisions affecting the  
16 valuation of property take effect January 1, 2012, and apply to  
17 assessment years beginning on or after January 1, 2012.